

Notice is hereby given that the eighty-second Annual General Meeting of Dunedin Smaller Companies Investment Trust PLC will be held at 40 Princes Street, Edinburgh, EH2 2BY on Thursday 4 February 2010 at 12 noon, for the following purposes:

To consider and, if thought fit, pass the following resolutions, of which resolutions 1 to 8 inclusive will be proposed as ordinary resolutions and resolutions 9 to 12 will be proposed as special resolutions:

Ordinary Business

1. To receive the Reports of the Directors and auditors and the financial statements for the year ended 31 October 2009.
2. To approve the Directors' Remuneration Report for the year ended 31 October 2009.
3. To approve a final dividend of 2.65p on the ordinary shares.
4. To re-elect Mr T J K Barnes as a Director of the Company.
5. To re-elect Mr N M Yarrow as a Director of the Company.
6. To re-appoint KPMG Audit Plc as auditors of the Company.
7. To authorise the Directors to fix the remuneration of the auditors for the year to 31 October 2010.

Special Business

8. That, with effect from the time of the passing of this resolution the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot for the purposes of Section 551 of the Companies Act 2006 (the "Act") shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company (such shares and rights together being "relevant securities") up to an aggregate amount of £789,567 representing approximately 33% of the present issued share capital such authorisation to expire at the conclusion of the next Annual General Meeting of the Company in 2011, but so that this authority shall allow the Company and its Directors to make offers or agreements before such expiry which would or might require such securities to be allotted after such expiry and the Directors may make such offers or agreements as if such expiry had not occurred.
9. That, subject to the passing of resolution number 8 set out above, the Directors be and are hereby empowered, pursuant to Sections 570 and 573 of the Companies Act 2006 ("the Act"), to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the authority conferred by resolution number 8 as if Section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities:
 - (i) (otherwise than pursuant to sub-paragraph (ii) below) which are, or are to be wholly paid up in cash, at the price of not less than the net asset value per share at allotment, as determined by the Directors, up to an aggregate nominal value of £119,631; and
 - (ii) in connection with an offer by way of rights issue in favour of all holders of ordinary shares where the equity securities respectively attributable to the interests of all such holders are either proportionate (as nearly as may be) to the respective number of ordinary shares held by them on the record date of such allotment or to holders of other equity securities as required by the rights of these securities (but subject in either case to such exclusions, limitations, restrictions or other arrangements as the Directors consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in or under the laws of, or requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever) at a price of not less than the net asset value per share at allotment, as determined by the Directors;

and shall expire at the conclusion of the Annual General Meeting of the Company in 2011, but so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be allotted after such expiry and the Directors may make such offers or agreements as if such expiry had not occurred.

10. That, in substitution for any existing authority under Section 701 of the Companies Act 2006 (the "Act"), the Company be and it is hereby generally and unconditionally authorised, in accordance with Section 701 of the Act, to make market purchases (within the meaning of Section 693(4) of the Act) of fully paid ordinary shares of 5p each in the capital of the Company ("ordinary shares") provided that:
 - (i) the maximum aggregate number of ordinary shares hereby authorised to be purchased shall be 14.99% of the issued ordinary share capital of the Company as at the date of the passing of this resolution;
 - (ii) the minimum price which may be paid for an ordinary share shall be 5p (exclusive of expenses);
 - (iii) the maximum price (exclusive of expenses) which may be paid for an ordinary share shall be the higher of:

- a) 5% above the average of the market values of the ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the ordinary shares for the five business days immediately preceding the date of purchase; and
 - b) the higher of the price of the last independent trade in ordinary shares and the highest current independent bid for ordinary shares on the London Stock Exchange; and
- (iv) unless previously varied, revoked or renewed by the Company in general meeting, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2011 save that the Company may, at any time prior to such expiry, enter into a contract or contracts to purchase ordinary shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract or contracts.
11. That, in substitution for any existing authority under Section 701 of the Companies Act 2006 (the "Act"), the Company be and it is hereby generally and unconditionally authorised, in accordance with Section 701 of the Act, to make market purchases (within the meaning of Section 693(4) of the Act) of fully paid subscription shares of 0.001p each in the capital of the Company ("subscription shares") provided that:
- (i) the maximum aggregate number of subscription shares hereby authorised to be purchased shall be 14.99% of the issued subscription shares as at the date of the passing of this resolution;
 - (ii) the minimum price which may be paid for a subscription share shall be 0.001p (exclusive of expenses);
 - (iii) the maximum price (exclusive of expenses) which may be paid for a subscription share shall be the higher of:
 - a) 5% above the average of the market values of the subscription shares (as derived from the Daily Official List of the London Stock Exchange) for the subscription shares for the five business days immediately preceding the date of purchase; and
 - b) the higher of the price of the last independent trade in subscription shares and the highest current independent bid for subscription shares on the London Stock Exchange; and
 - (iv) unless previously varied, revoked or renewed by the Company in general meeting, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2011 save that the Company may, at any time prior to such expiry, enter into a contract or contracts to purchase subscription shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of subscription shares pursuant to any such contract or contracts.
12. That:
- (a) the Articles of Association of the Company be amended by deleting all of the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as part of the Company's Articles of Association; and
 - (b) the Articles of Association produced to the meeting and, for the purposes of identification, initialled by the Chairman of the meeting be adopted as the Articles of Association of the Company in substitution for, and to the entire exclusion of, the existing Articles of Association of the Company.

Registered office:
40 Princes Street
Edinburgh
EH2 2BY

By order of the Board
Aberdeen Asset Management PLC
Secretary
29 December 2009

Notes:

- (i) A member entitled to attend and vote at the meeting may appoint a proxy or proxies to exercise all or any of his/her rights to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise the rights attached to any one share.
- (ii) A form of proxy is enclosed. To be valid, any proxy form or other instrument of proxy and any power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority should be

Notice of Annual General Meeting continued

sent to the Company's Registrars, Equiniti Limited, Freepost 10850, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6ZR so as to arrive not less than forty eight hours before the time fixed for the meeting.

- (iii) The return of a completed proxy form or other such instrument of proxy will not prevent a member attending the Annual General Meeting and voting in person if he/she wishes to do so.
- (i) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual and by logging on to the website www.euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (ii) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (ID RA19) no later than 48 hours before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- (iii) CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (iv) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- (viii) The right to vote at a meeting is determined by reference to the Company's register of members as at 6 p.m. on 2 February 2010 or if this meeting is adjourned, at 6 p.m. on the day two days prior to the adjourned meeting. Changes to entries on that register after that time shall be disregarded in determining the rights of any member to attend and vote at the meeting.
- (ix) As at 17 December 2009 (being the latest business day prior to the publication of this notice) the Company's issued share capital comprised 47,852,573 ordinary shares of 5p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 17 December 2009 was 47,852,573.
- (x) A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in notes (i) to (iii) above do not apply to a Nominated Person. The rights described in those notes can only be exercised by registered members of the Company.
- (xi) Members who have general queries about the Annual General Meeting should contact the Company Secretary in writing. Members are advised that any telephone number, website or email address which may be set out in this notice of Annual General Meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.

- (xii) It is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting or any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors no later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
- (xiii) No Director has a service contract with the Company. Copies of the Directors' letters of appointment are available for inspection on any day (except Saturdays, Sundays and bank holidays) from the date of this notice until the date of the meeting during usual business hours at the Company's registered office and for 15 minutes prior to, and at, the meeting.
- (xiv) Information regarding the Annual General Meeting is available from the Company's website, dunedinsmaller.co.uk
- (xv) As a member, you have the right to put questions at the meeting relating to business being dealt with at the meeting.

A copy of the current Articles of Association and of the proposed new Articles of Association marked up to show the proposed amendments will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Aberdeen Asset Managers Ltd, 40 Princes Street, Edinburgh, EH2 2BY, until the conclusion of the meeting.

Appendix to Notice of Annual General Meeting

EXPLANATORY NOTE OF PRINCIPAL CHANGES TO THE COMPANY'S ARTICLES OF ASSOCIATION

The Company's Objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and Articles of Association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The Companies 2006 Act (the "2006 Act") significantly reduces the constitutional significance of a company's memorandum. The 2006 Act provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the 2006 Act the objects clause and all other provisions which are contained in a company's memorandum, are deemed to be contained in the company's articles of association but the company can remove these provisions by special resolution.

Further the 2006 Act states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all the other provisions of its memorandum which, by virtue of the 2006 Act, are treated as forming part of the Company's Articles of Association as of 1 October 2009. Resolution 12(a) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

Articles which Duplicate Statutory Provisions

Provisions in the Existing Articles which replicate provisions contained in the 2006 Act are in the main to be removed in the New Articles. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution.

Change of Name

Under the Companies Act 1985, a company could only change its name by special resolution. Under the 2006 Act a company will be able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the Directors to pass a resolution to change the Company's name.

Authorised Share Capital and Unissued Shares

The 2006 Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the 2006 Act.

Redeemable Shares

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption. The 2006 Act enables directors to determine such matters instead provided they are so authorised by the articles. The New Articles contain such an authorisation. The Company has no plans to issue redeemable shares but if it did so the Directors would need shareholders' authority to issue new shares in the usual way.

Authority to Purchase own Shares and Reduce Share Capital

Under the Companies Act 1985, a company required specific enabling provisions in its articles to purchase its own shares and to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The Existing Articles include these enabling provisions. Under the 2006 Act a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly the relevant enabling provisions have been removed in the New Articles.

Suspension of Registration of Share Transfers

The Existing Articles permit the Directors to suspend the registration of transfers. Under the 2006 Act share transfers must be registered as soon as practicable. The power in the Existing Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

Voting by Proxies on a Show of Hands

The Companies (Shareholders Rights) Regulations 2009 ("Regulations") have amended the 2006 Act so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The New Articles have been drafted to reflect these changes.

Voting by Corporate Representatives

The Regulations have amended the 2006 Act in order to enable multiple representatives appointed by the same corporate member to vote in different ways on a show of hands and a poll. The New Articles contain provisions which reflect these amendments.

Electronic Conduct of Meetings

Amendments made to the 2006 Act by the Regulations specifically provide for the holding and conducting of electronic meetings. The New Articles have been amended to reflect more closely the relevant provisions.

Chairman's Casting Vote

The New Articles remove the provision giving the Chairman a casting vote in the event of an equality of votes as this is no longer permitted under the 2006 Act.

Notice of General Meetings

The Regulations amend the 2006 Act to require the Company to give 21 clear days' notice of general meetings unless the company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than 14 days has been passed. Annual general meetings must be held on 21 clear days' notice. The New Articles amend the provisions of the Existing Articles to be consistent with the new requirements.

Adjournments for Lack of Quorum

Under the 2006 Act as amended by the Regulations, general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The New Articles have been drafted to reflect this requirement.

Voting Record Date

Under the 2006 Act as amended by the Regulations the Company must determine the right of members to vote at a general meeting by reference to the register not more than 48 hours before the time for the holding of the meeting, not taking account of days which are not working days. The New Articles have been drafted to reflect this requirement.

General

Generally the opportunity has been taken to bring clearer language into the New Articles and therefore non-material changes and stylistic amendments have also been made to the Existing Articles.